

April 5, 1988

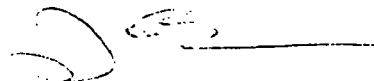
Mr. D. J. Duskin
Exploration Manager
Eastern USA
Amselco Minerals Inc.
1112 Mill Street
P. O. Box 891
Camden South Carolina 29020

Dear Doug:

In response to your question regarding the ownership of the surface of our mineral rights in South Carolina, as of this moment, Brunswick still is legal owner. However, the surface trade can be accomplished at any time. I suggest that you address any questions that may arise to Mr. Ken Gay at our Brunswick office. If the trade has been completed, he can refer you to the proper Champion contact.

Please keep me advised of your plans.

Sincerely,



Joseph M. Jungkurth
Vice President, Mineral Resources

JMJ:slv

cc: Mr. D. H. Sherwood



10755209

BP MINERALS AMERICA
MEMORANDUM

To: Richard Pierce Date: March 15, 1988
From: Kenny Martin
Subject: Execution of Memorandum of Brunswick Lease on Barite Hill Project

This attached document will take precedence over the original Memorandum which was executed December 21, 1987, and recorded December 28. This Memorandum contains only additions (no deletions) to the original one which failed to state that Amselco had an option to purchase the land needed for mining purposes.

One other addition I made was to include a line on the signature page for a second witness as required by South Carolina law. This deficiency was pointed out to me by the McCormick County Clerk of Court.

When execution is completed by Amselco, please mail to Mr. Jungkurth for execution by Scott Timber. He should then forward it to Mead Timber officials. Mr. Jungkurth's address is:

Mr. Joseph Jungkurth
Vice President, Minerals
Scott Paper Company
Scott Plaza
Philadelphia, PA 19113

You can have the original mailed to me or a copy for our files if it's mailed back to you. Thanks.

dn

Attachment



April 5, 1988

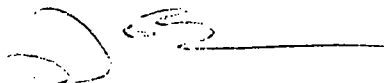
Mr. D. J. Duskin
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P. O. Box 891
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Dear Doug:

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Please keep me advised of your plans.

Sincerely,



Joseph M. Jungkurth
Vice President, Mineral Resources

JMJ:slw

cc: Mr. D. H. Sherwood

FACS 215-522-5577

SCOTT

SCOTT NATURAL RESOURCES

October 27, 1987

Mr. D. J. Duskin
Amselco Minerals Inc.
1112 Mill Street
P. O. Box 891
Camden, South Carolina 29020

Dear Mr. Duskin:

This letter will authorize you and/or your Amselco representatives to enter upon the Brunswick Land Company properties described in Attachment A for the sole purpose of cutting grid lines in anticipation of the signing of an Exploration/Mining Agreement between Amselco and Brunswick before the end of 1987.

Amselco agrees to honor and be bound by the Indemnification and Damage Conditions contained in the document being prepared by D. H. Sherwood, our Denver attorney. Such signing document should be in your possession within the next two weeks.

Amselco agrees to advise Mr. Kenneth N. Gay at 912/265-5780 in advance of any activities for the purpose of coordination with and awareness of our Brunswick associates. Such phone contacts will be followed up with appropriate written correspondence to Mr. Gay, with a copy to my attention in Philadelphia.

This letter will remain in effect for sixty (60) days from the date hereon or until the Exploration/Mining Agreement is executed, whichever occurs first.

Sincerely,



Joseph M. Jungkurth
Vice President, Minerals

AGREED TO AND ACCEPTED
THIS THE 30TH DAY OF
OCTOBER, 1987. 10/30/87

AMSELCO MINERALS INC.

By: D. J. Duskin

REGIONAL MANAGER

cc: Mr. K. N. Gay



1112 Mill Street
P.O. Box 891
Camden, South Carolina 29020
Telephone: (803) 432-9828

HEAD OFFICE:
999 Eighteenth Street, Suite 1201
Denver, Colorado 80202-2484
Telephone: (303) 292-6722

Telex: 450205

Facsimile: (303) 298-1294

February 29, 1988

Mr. Joseph Jungkurth
Vice President, Minerals
Scott. Paper Company
Scott. Plaza
Philadelphia, PA 19113

Re: Brunswick Mineral Properties

Dear Joe:

Thanks a lot for sending the Amax report on the Civil War property. We're presently digesting this data and will be returning your data shortly. At first reading, mineralization at the Civil War sounds a lot like that at Barite Hill. It does not appear to be a viable base metal target any longer, but there are indications of precious metals that were not aggressively pursued by the previous lessors. On the other hand, there has been a lot of drilling, and maybe there is no room left for any kind of orebody. We can see that there are some basic steps that were overlooked, but the question is: are they worth doing now? When we complete our data review, I will be back in touch about that. One thing comes immediately to mind. Does Brunswick still own the surface there, or has that been sold to Champion?

Which brings up Barite Hill. Is Champion now officially the surface owner of the tracts we leased from Brunswick? If so, do you have the name of anyone from Champion whom we can contact about our surface activities? We have cut quite a few survey lines on the Brunswick property for soil geochemical and geophysical surveying. We expect to do some trenching in the next few weeks on Brunswick's portion of the Jennings trend, which will hopefully lead to drilling it. However, I'd like to make sure we don't get crosswise with the surface owner, if the property has indeed changed hands.

We have just concluded a joint venture agreement with Hawk Investments, Ltd. of Australia in regard to our Barite Hill project. Hawk has the right to earn in to a 49 percent interest in the project. Whether this happens or not will depend on results of the exploration in progress. We've done a lot of trenching and drilling on properties which adjoin

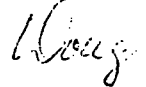
Mr. Joseph Jungkurth
February 29, 1988
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Brunswick's, and have encouraging results that suggest that a small open pit gold deposit could be developed. So far the Brunswick lands are not involved, but this could change if we can find significant mineralization on the Jennings trend.

As you know, the Memorandum of Agreement that we recorded in December is somewhat deficient in that it failed to mention the option-to-purchase aspect of the Agreement. Don Sherwood and I talked about this a few weeks ago, and he said he would prepare a more appropriate Memorandum. As BP is merging Amselco Minerals with Kennecott, I would ask you to give this a higher priority. The Amselco entity may not exist much longer, and it would be a lot simpler if the revised Memorandum could be recorded before the corporate merger takes place. At least, it would make my job easier; I'd appreciate your help.

Sincerely yours,

AMSELCO MINERALS INC.



D. J. Duskin
Exploration Manager
Eastern USA

DJD/cn

cc: A. P. Taylor
R. E. Pierce
J. P. Padgett

**Minerals America**

P. O. Box 891 1112 Mill Street
Camden South Carolina 29020
(803) 432-1828
FAX (803) 425-1086

BP MINERALS AMERICA

Minerals Exploration - Camden Office

November 2, 1988

Mr. William Covington
Georgia Pacific Corp.
P.O. Box 105605
Atlanta, GA 30348

Re: Exploration and Mining Lease between Brunswick Pulp Land
Company dated Nov. 20th, 1987, McCormick County, S.C.

Dear Mr. Covington:

Enclosed is a copy of the lease referred to in the October 6th letter from our attorney, Mr. Pierce, to Joe Jungkurth of Scott Paper about assigning it to Gwalia Resources (International), Ltd. It seems there was poor coordination of such things in the sale of Brunswick to Georgia Pacific; I appreciate your looking after this matter. If you have any questions of a legal nature, please direct them to Mr. Pierce in our Salt Lake office. Otherwise, please call me if you need more information.

Thank you for giving this your attention.

Sincerely yours,

BP Minerals America

D. J. Duskin
Exploration Manager
Eastern USA

DJD/sl

encl

cc w/o encl: R. E. Pierce